

Following is a summary of important business news published in the leading daily newspapers of Bangladesh. For the complete news, please follow the online link given below each news. Please note that the news summary doesn't reflect the opinion of BRAC EPL Stock Brokerage Limited.

Macro:**3 companies to invest over USD 35.14 Mn in two economic zones.**

- Three companies are going to invest more than USD 35.14 Mn in two economic zones in the country by leasing around 24 acres of land.
- According to Bangladesh Economic Zones Authority (Beza), Swan International (Pvt) Ltd and Pinnacle Bicycle will set up tire and bicycle factories with an investment of USD 35.14 Mn. On the other hand, Bangladesh Industrial Technical Assistance Centre (Bitac) will set up a technical training institute. However, their investment amount is yet to be disclosed.

<https://www.tbsnews.net/economy/industry/3-companies-invest-over-3514-million-two-economic-zones-573598>

Bangladesh-Korea trade exceeds USD 3 Bn.

- Bilateral trade between South Korea and Bangladesh reached a new height in 2022, exceeding USD 3 Bn, nearly 40% up from the previous year. The bilateral trade stood at USD 3.04 Bn last year, up from USD 2.19 Bn in 2021, an increase of 38.71% year-on-year, according to data from the Korea International Trade Association.

<https://www.thedailystar.net/business/economy/news/bangladesh-korea-trade-exceeds-3b-3230761>

FBCCI urges Japanese investors to set up automobile industries in Bangladesh

- The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) has urged Japanese investors to set up automobile industries in Bangladesh. FBCCI could work closely with Japanese entrepreneurs in this regard. FBCCI President made this call during a courtesy meeting with the Japan External Trade Organization (JETRO) delegation on Wednesday at the FBCCI office in Dhaka.
- The FBCCI President said that Bangladesh has huge potential. "We're now on our way to a trillion-dollar economy. In order to achieve this target, Bangladesh is going through policy and strategic transformation. The Government and the Private sector are also working together to facilitate trade and business," he added.

<https://thefinancialexpress.com.bd/economy/bangladesh/fbcci-urges-japanese-investors-to-set-up-automobile-industries-in-bangladesh-1674659660>

54% of annual agri loan target achieved in H1.

- The country's banks distributed BDT 166.70 Bn in agricultural loans in the first half of FY23, which is 54% of the BDT 309.11 Bn annual target, according to the latest data of the central bank.
- The high growth in agriculture loan disbursement came as the government has been campaigning for higher local production of agricultural items, instead of imports, amid the global uncertainty in the food market caused by the Russia-Ukraine war, sector insiders said. In FY22, the lenders also surpassed the agri loan target of BDT 283.91 Bn.

<https://www.tbsnews.net/economy/banking/54-annual-agri-loan-target-achieved-h1-574034>

Hike gas prices in phases, not at one go, BGMEA says.

- The garment makers have urged the government to increase gas price in phases because it is tough to tolerate a sudden big hike amid the existing volatile domestic and global economic situation.
- The Bangladesh Garment Manufacturers and Exporters Association (BGMEA) made the call through a letter sent to Tawfiq-e-Elahi Chowdhury, energy adviser to the prime minister, and Nasrul Hamid, state minister for energy and mineral resources.

<https://www.thedailystar.net/business/economy/news/hike-gas-prices-phases-not-one-go-3230796>

Cutting VAT won't help lower prices of goods: NBR

- Businesspeople engaged in importing and distributing essential commodities inflate the prices of their goods by saying they have to pay high amounts of customs duty or value-added tax (VAT), according to Abu Hena Md Rahmatul Muneem, chairman of the National Board of Revenue (NBR).
- They [businesspeople] think that reducing VAT or customs duty would help lower the price of goods, but that is not the case," he said while speaking at a press conference on International Customs Day at the NBR office in Dhaka yesterday.
- Muneem went on to say that the NBR regularly checks whether any increase in customs duty or VAT actually impacts commodity prices to the extent claimed by businesspeople. The NBR had recently increased the customs duty in a bid to discourage imports of some luxury goods amid the ongoing US dollar shortage.

<https://www.thedailystar.net/business/economy/news/cutting-vat-wont-help-lower-prices-goods-nbr-3230781>

Jute sector SMEs to join US trade show.

- A total of 14 small and medium enterprises (SMEs) from Bangladesh are going to showcase their jute products at a four-day trade show, styled "NY NOW Winter Trade Show 2023", to be held in New York City from February 5. Anwar Faruque, an adviser of the Feed the Future Bangladesh Horticulture, Fruits, and Non-Food Crops Activity funded by USAID, shared this information during a press conference at Doreen Hotel in Dhaka yesterday.

<https://www.thedailystar.net/business/economy/news/jute-sector-smes-join-us-trade-show-3230751>

FMCG sales drop as inflation eats into consumption

- In the face of a soaring cost of living, many low and middle-income people in Bangladesh have either ditched branded products or switched to smaller packs, causing consumer goods producers and marketers to record a slowdown in sales in 2022.
- FMCGs, also known as consumer packaged goods, are products that sell quickly at relatively lower costs. And the top officials say people have become more sensitive to the prices while sensitivity to the brands fell, meaning they are giving up their preferred brands in order to access low-priced alternatives.
- This is because their purchasing power has eroded as inflation has persistently remained at an elevated level since March while incomes have stagnated.

<https://www.thedailystar.net/business/economy/news/fmcg-sales-drop-inflation-eats-consumption-3230821>

Stocks:**MARICO | Marico's sales, profit growth slows**

- Marico Bangladesh Ltd's sales growth nearly halved in the April to December period compared to a year ago, which affected profits as higher inflation cut people's purchasing power. The fast-moving consumer goods multinational company, whose financial year begins on April 1, witnessed an 8.22 % growth in sales between April and December against more than 15% recorded during the identical nine-month period a year earlier.
- Thus, Marico Bangladesh reported earnings per share (EPS) of BDT 94.45 in April-December of FY23 from BDT 90.08 in FY22. In October-December, its EPS was BDT 30.93 against BDT 27.35 in the same three-month period a year ago, according to the financial statements.
- "The profit and sales growth slowed as inflation increased and people's buying capacity was impacted," said Md Sahabuddin, company secretary of Marico Bangladesh.

<https://www.thedailystar.net/business/economy/news/maricos-sales-profit-growth-slows-3229626>

BERGERPBL | Higher revenue, yet Berger sees profit decline in Dec quarter

- Berger Paints Bangladesh Ltd succumbed to the economic crisis in the third quarter of its current fiscal year, after successfully dodging macroeconomic adversities and posting profit growth in the previous two quarters. In the October to December quarter, the company's consolidated earnings per share (EPS) declined by 16% to BDT 14.73, from BDT 17.52 in the same quarter of 2021.
- Because of its competitive edge as the leader of the paints market, Berger did earn a higher revenue in the quarter but ended up with lower profits due to the soaring costs of raw materials, fuelled by adverse foreign exchange rate.

<https://www.tbsnews.net/economy/stocks/higher-revenue-yet-berger-sees-profit-decline-dec-quarter-574042>

RAKCERAMIC | RAK Ceramics' profit shrinks over gas crisis

- Country's leading tiles manufacturer RAK Ceramics' net profit shrinks over 26% in 2022 due to production hampered by gas crisis. The company said in its financial statement, sales revenue rose by 9% to BDT 7.45 Bn in 2022 but net profit decreased by 26% to BDT 0.67 Bn.
- The UAE based multinational company stated that increase in gas price, significant volatile of foreign currency market, disruption of global supply chain caused increase of all input raw material price and shipping freight. Meanwhile, the company declared a 10% cash dividend to its shareholders for the last year. To approve the dividend and the audited financial report, it will conduct the annual general meeting on 30 March this year and the record date is 16 February.

<https://www.tbsnews.net/economy/stocks/rak-ceramics-profit-shrinks-over-gas-crisis-573970>

EXCHANGE | BSEC approves appointment of CSE's independent directors

- The Bangladesh Securities and Exchange Commission (BSEC) has approved the appointment of seven distinguished persons as independent directors for the constitution of the new board of directors of the Chittagong Stock Exchange (CSE).
- The independent directors will be applicable for the new board for three years of CSE and attend the first board meeting as per regulations. They are – Asif Ibrahim, Abdul Halim Chowdhury, Kaashif Reza Choudhury, Monjurul Ahsan Bulbul, Md Sajib Hossain, Ms Ishter, and Mohammad Naquib Uddin Khan.

<https://www.tbsnews.net/economy/stocks/bsec-approves-appointment-cses-independent-directors-573938>

UNIQUEHRL | Westin Dhaka's revenue jumps 84% in H1 FY23

- The Westin Dhaka – a five-star hotel operated by Marriott International – reported an 84% jump in its revenue in the first half of FY23. During the period, it earned BDT 1 Bn, 48.32% of which was from rooms while 45.15% from food services. According to its official statement, compared to the last two years, the economic activities of the country have increased in the current fiscal year. Consequently, the number of guests and programmes in five-star hotels have also increased.
- The travel and leisure sector company's net profit also jumped around five times to BDT 450 Mn while its earnings per share stood at BDT 1.52 during the first half of FY23. Unique Hotel and Resort said its revenue and profit increased due to the increase in Westin's revenue as well as the revenue it earned from a new hotel – Sheraton – that started operating under it last year.

<https://www.tbsnews.net/economy/stocks/westin-dhakas-revenue-jumps-84-h1-fy23-574018>

World Stock and Commodities*

Index Name	Close Value	Value Change YTD	% Change YTD
Crude Oil (WTI)*	USD 80.46	USD 5.25	6.98%
Crude Oil (Brent)*	USD 86.24	USD 8.46	10.88%
Gold Spot*	USD 1,945.63	USD 171.48	9.67%
DSEX	6,293.40	86.40	1.39%
S&P 500	4,016.22	176.72	4.60%
FTSE 100	7,744.87	293.13	3.93%
BSE SENSEX	60,205.06	-635.68	-1.04%
KSE-100	39,784.90	-635.55	-1.57%
CSEALL	8,902.24	399.75	4.70%

Exchange Rates**1 US Dollar = 104.74 BDT****1 GBP = 129.96 BDT****1 Euro = 114.46 BDT****1 INR = 1.29 BDT**

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